USDA/Rural Development

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News Release

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RURAL DEVELOPMENT HELPS PROVIDE WATER TO SCRANTON/BOWMAN COMMUNITIES

BISMARCK, December 5, 2002... North Dakota Governor John Hoeven and representatives from the Southwest Water Authority joined North Dakota State Director for Rural Development Clare Carlson today in announcing the release of \$3,364,000 in loan and grant funds to the ND State Water Commission from the Rural Utilities Service (RUS), an agency that falls under the U.S. Department of Agriculture's Rural Development mission area.

The announcement was made during the 39th Annual North Dakota Joint Water Convention & Irrigation Expo being held at the Ramkota Inn in Bismarck.

"USDA's water programs are an example of the commitments to helping rural communities and improving the quality of people's lives," Carlson said. "This water project will provide citizens of the Bowman/Scranton areas with potable water as well as enhance economic development for the area."

According to Carlson, the Rural Utilities Service (RUS) loan in the amount of \$1,864,000 and a grant in the amount of \$1,500,000 were approved to the North Dakota State Water Commission for the Bowman/Scranton Regional Service Area Phase of the Southwest Pipeline project in southwestern North Dakota. These funds along with a grant from the State of North Dakota in the amount of \$6,636,000 will provide for construction of 20 miles of main transmission line, 280 miles of rural distribution pipeline, water storage tanks, and water

reservoirs for a total project cost of \$10 million. Approximately 202 new users will be added to the line in addition to the existing 304 users in the City of Scranton.

USDA Rural Development is not "new" to the Southwest Water Authority. They have previously funded grants totaling \$9.2 million and loans totaling \$7.2 million for a grand total of \$16.4 million toward the construction of the Southwest Pipeline.

The Southwest Pipeline is located in the Southwest Rural Economic Area Partnership (REAP) Zone. The REAP Zone is a regional collaboration of federal, state, and local representatives working to stem the out migration of people and jobs from the region.

USDA Rural Development serves as the lead federal entity for rural development needs and administers program assistance through three agencies: Rural Business-Cooperative Service, Rural Housing Service and Rural Utilities Service.

In Fiscal Year 2002, USDA Rural Development provided <u>over \$76 million</u> in loan and grant financing in North Dakota.

Further information on USDA Rural Development programs can be obtained by visiting the USDA website at: http:///www.rurdev.usda.gov or by contacting Clare Carlson, State Director, or Dale Van Eckhout, Rural Development Program Director at 1-800-582-7584.

